

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:

Joseph DuMouchelle Fine & Estate
Jewellers, L.L.C.,

Debtor.

Case No. 19-56239-PJS
Chapter 7
Hon. Phillip J. Shefferly

**ORDER DISSOLVING SHOW CAUSE ORDER OF JANUARY 3, 2020
[docket no. 40] AND REQUIRING FILING OF DOCUMENTS**

This matter came before the Court on the Court's "Order to Show Cause Regarding Failure to File Required Documents" entered on January 1, 2020 [docket no. 40]. The Order set a January 13, 2020 hearing for the Debtor to appear and Show Cause for the failure to file the lists, schedules and statements required by § 521 and Fed.R.Bankr.P. 1007. Pursuant to the Court's Order, the trustee/counsel for the trustee, counsel for the petitioning creditors[and counsel for the Debtor's principal appeared at the hearing and advised the Court of the following:

A. Joseph DuMouchelle, the former principal of the Debtor, and the best source of information regarding the Debtor's assets, liabilities and financial affairs (hereafter "Debtor's Former Principal"), is presently under federal indictment and has consistently asserted the Fifth Amendment Privilege in response to questions regarding the information necessary to complete the schedules and statements

required by § 521 and Fed.R.Bankr.P. 1007. Notwithstanding that fact, Debtor's Former Principal has been cooperating with the Trustee to the extent he is able and has been incrementally providing documents, to the extent he is able to do so without violating his privilege against self-incrimination.

B. Among the documents/information which has been provided to the trustee is a complete or near complete list of the names and addresses of the creditors of the Debtor;

C. The trustee anticipates that if not filed by the date of entry of the present Order, the matrix required by § 521 and Fed.R.Bankr.P. 1007(a)(2) will be filed within one (1) day following the entry of the present Order.

D. On December 26, 2019, the trustee provided counsel for the Debtor's Former Principal with a non-exclusive list of documents and information needed to prepare the schedules and statements.

E. While the Debtor's Former Principal has provided some documents, requiring the Debtor's Former Principal to produce much of the additional information needed to complete the schedules and statements could potentially violate the Debtor's Former Principal's Fifth Amendment Privilege. On the advice of criminal counsel, the Debtor's Former Principal has declined to waive the privilege at this time.

E. Notwithstanding the foregoing, the parties have been advised that the Debtor's Former Principal is scheduled to meet with the U.S. Attorneys on January 22, 2020 for a "Debriefing", which is the first step toward the efforts of the Debtor's Former Principal to work out a plea arrangement on the federal indictment. Upon information and belief, the Debriefing will involve the Debtor's Former Principal waiving his Fifth Amendment Privilege and providing information to federal prosecutors that will allow the Debtor's Former Principal to plead guilty with a previously arranged recommendation from the prosecutors as to the sentencing for the alleged criminal violations.

F. Following the Debriefing, it is anticipated that the Debtor's Former Principal will be in a position to disclose all information necessary to complete and sign the Schedules and Statements, as he will have waived his Fifth Amendment Privilege. Counsel for the trustee has agreed to prepare the documents required under § 521 and Fed.R.Bankr.P. 1007 with the assistance, including the production of necessary documents, of the Debtor's Former Principal.

Based on the representations made at the hearing, the Court finds good cause to enter this order.

NOW, THEREFORE,

IT IS HEREBY ORDERED as follows:

1. Immediately following the entry of the present Order, if not before, Debtor's Former Principal shall provide the trustee with any additional names and addresses of creditors or parties in interest necessary to file the matrix required by Fed.R.Bankr.P. 1007(a)(2), and the trustee shall file the matrix with the Court within one (1) day of the date of entry of the present Order;

2. **On or before January 24, 2020**, the Debtor's Former Principal shall produce to the trustee any and all documents necessary to complete the schedules and statements required by § 521 and Fed.R.Bankr.P. 1007 wherein the production of such documents would not violate the Fifth Amendment Privilege of the Debtor's Former Principal. **On or before January 29, 2020**, Debtor's Former Principal shall produce to the trustee any and all additional documents necessary to complete the schedules and statements required by § 521 and Fed.R.Bankr.P. 1007, which have not been previously produced, and shall appear at the offices of the trustee as necessary to complete and sign the finalized schedules and statements required by § 521 and Fed.R.Bankr.P. 1007. Debtor's Former Principal is also directed to sign all such documents subject to his Fifth Amendment rights, which are being neither enlarged nor diminished by entry of this Order. The trustee shall be responsible for filing the finalized schedules and statements and otherwise complying with the requirements of § 521 and Fed.R.Bankr.P. 1007. All such documents shall be filed with the Court **on or before February 5, 2020 but in no**

event after the § 341 meeting of creditors in the case. In the event the meeting of creditors is scheduled before February 5, 2020, the trustee will adjourn the meeting until a date after the schedules and statements required by § 521 and Fed.R.Bankr.P. 1007 have been filed with the Court.

3. In the event that the Debtor's Former Principal shall fail or refuse to comply with any provision of the present Order, the Court, upon notification from the trustee, trustee's counsel or any other party in interest, may enter another order to show cause and schedule an expedited hearing to consider the particular failure or refusal to comply. Similarly, in the event the trustee shall fail to comply with any requirement of this Order, the Court may enter an order to show cause, to consider the particular failure and the consequences of the same.

Signed on January 13, 2020



/s/ Phillip J. Shefferly

**Phillip J. Shefferly
United States Bankruptcy Judge**